Increase in credit loan facilities to farmers

1221.SHRI SANJAY RAUT: Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering to increase credit loan facilities to small, marginal land holding farmers and also women entrepreneurs in the country; and

(b) if so, the details thereof and the steps taken or proposed to be taken in this regard;

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. The Reserve Bank of India has advised the commercial banks to make efforts to increase their disbursement to small and marginal farmers to 40% of their direct disbursement under the Special Agriculture Credit Plan (SACP) by March, 2007. A target of 5% of net bank credit has also been stipulated for lending to women by all public sector banks.

Credit disbursement by public sector banks to small and marginal farmers has increased from 26.73% of agriculture credit disbursement under SACP in 2002-03 to 31.3% during 2003-04.

As on March, 2004, the net bank credit outstanding to women borrowers constituted 4.71%. In order to further increase the credit flow to women, special efforts are being made through SHG-Bank Linkage programme initiated by NABARD.

Taking over of private banks by foreign banks

1222. SHRI N.K. PREMACHANDRAN: Will the Minister of FINANCE be pleased to state:

(a) whether any proposal seeking permission to take over private banks in the country by the foreign banks is pending with Government for sanction;

(b) whether any instance of violating RBI stipulations by the foreign banks has been brought to the notice of Government;

(c) if so, the details thereof and whether any case of foreign bank involvement has been detected in financial irregularities or scandals and how many banks are involved in the transfer of funds to foreign countries; and